

EXHIBITS HH

REDACTED DECLARATION OF TAKASHI NAKANISHI

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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

IN RE: TOYOTA MOTOR CORP.
UNINTENDED ACCELERATION
MARKETING, SALES PRACTICES, AND
PRODUCTS LIABILITY LITIGATION

This document relates to:

ALL ECONOMIC LOSS CASES

Case No.: 8:10ML2151 JVS (FMOx)

REDACTED (PREVIOUSLY FILED
UNDER SEAL) DECLARATION OF
TAKASHI NAKANISHI IN SUPPORT
OF (1) TOYOTA'S RESPONSE TO
CERTAIN ECONOMIC LOSS
PLAINTIFFS' MOTION FOR THE
APPLICATION OF CALIFORNIA
LAW AND (2) TOYOTA'S CROSS-
MOTION FOR CHOICE-OF-LAW
DETERMINATION AS TO ALL
ECONOMIC LOSS CASES AND
PLAINTIFFS BEFORE THIS COURT

Date: May 16, 2011
Time: 3:00 p.m.
Location: Court Room 10C
Judicial Officer: Hon. James V. Selna

DECLARATION OF TAKASHI NAKANISHI

I, Takashi Nakanishi, declare and state as follows:

1. I have been employed by the Toyota Motor Corporation ("TMC") in Japan for the past 26 years, ever since receiving my engineering diploma in 1985. I have held various engineering positions at TMC throughout my extensive tenure, a list of which is attached as Exhibit 1

2. I am currently a Project Manager at Electronics Laboratory Division of TMC, and have been in this position since January, 2011. In this position, my job responsibilities include providing technical advice to the member of my division regarding the testing and evaluation of electronic components.

3. For the last 13 years – since 1998 – my work has focused on testing and evaluating Toyota vehicles and their components, including the electronic throttle control system ("ETCS"). I have been deeply involved – personally, with others in my department, with other departments and divisions within TMC, and with Toyota suppliers – in developing and performing evaluation and testing of the ETCS, including with regard to susceptibility to electromagnetic interference and also to functional testing of ETCS. Given the extensive work I have done in the evaluation and testing of ETCS, and my long tenure with TMC, I am knowledgeable regarding the overall responsibilities assigned to and the processes utilized by the departments involved in the development, design, engineering, testing, and evaluation of ETCS as well as the collaboration among the Groups within TMC and suppliers involved with ETCS.

4. As a result of my above described experience, except where indicated to the contrary, I have personal knowledge of the following facts – either based on personal recollection or my review and analysis of business records kept in the ordinary course of business by myself or my staff during the time period in question – and would swear and testify thereto if called as a witness.

1 5. I was a corporate deponent under Rule 30(b)(6) during Phase I of the
2 MDL litigation, and this declaration elaborates upon that testimony.

3 6. I reviewed this declaration with the assistance of a translator, Ms. Satoe
4 Ohari, fluent in Japanese and English, so that I could confirm its accuracy in my
5 native language before executing it. (The translator's declaration, stating that the
6 declaration was translated accurately, adding and omitting nothing, is attached here to
7 as Exhibit 2).

8 7. Attached hereto as Exhibit 3 is a true and correct copy of a document
9 containing an organization chart for TMC's technical center and new product
10 development system as of approximately 2010. This chart was created from
11 information transmitted by, a person with knowledge and is kept up to date in the
12 course of TMC's regularly conducted business activity. In the regular practice of
13 TMC's business activities, TMC from time to time creates charts such as this.
14 Although TMC has made changes to its organizational structure since the time that
15 this chart was drafted, TMC today continues to undertake the same general functions
16 and operations identified in the chart.

17 8. The Electronic Throttle Control Systems ("ETCS") in Toyota vehicles
18 that are the subject of this litigation were designed and developed by TMC with its
19 suppliers. TMC exercises oversight and maintains ultimate responsibility for the
20 evaluation and testing of the Subject Vehicles at issue in this litigation including the
21 ETCS which Plaintiffs contend is defective and is the cause of alleged unintended
22 acceleration. I know that this is true with respect to the ETCS because I have
23 personally been involved with these activities. TMC's testing of the ETCS that are
24 the subject of this litigation for susceptibility to electromagnetic interference was all
25 done in Japan; it was not done in California. In certain instances, suppliers designated
26 by TMC will conduct tests of certain of the component parts that make up the ETCS –
27 either tests prescribed by TMC or tests developed by such suppliers based on TMC's
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1 specifications – however, ultimately, the final responsibility for the ETCS is with
2 TMC.

3 9. TMC, subsidiaries of TMC and TMC's suppliers conduct extensive
4 component and full vehicle evaluation and testing and function and reliability testing.
5 Exhibit 4 attached to this declaration is an example of the process steps involved in
6 the testing and evaluation performed on Toyota's ETCS /vehicles during design and
7 development by TMC and its suppliers. I have been personally involved in these
8 testing and evaluation processes regarding Toyota's ETCS.

9 10. [REDACTED]
10 [REDACTED]
11 [REDACTED]
12 [REDACTED]
13 [REDACTED]
14 [REDACTED]
15 [REDACTED]
16 [REDACTED]
17 [REDACTED] All such
18 testing are done by suppliers and are (i) either prescribed by TMC or developed by
19 such suppliers based on TMC's specifications and (ii) conducted under the oversight,
20 review and approval of TMC. TMC is ultimately responsible for all such testing. As
21 far as I know, no such testing occurred in California.

22 11. [REDACTED]
23 [REDACTED]
24 [REDACTED]
25 [REDACTED]
26 [REDACTED]
27 [REDACTED]

1 [REDACTED]
2 [REDACTED]
3 [REDACTED]
4 [REDACTED]
5 [REDACTED]
6 [REDACTED]
7 [REDACTED]
8 [REDACTED]
9 [REDACTED]
10 [REDACTED]
11 [REDACTED]
12 [REDACTED]
13 [REDACTED]
14 [REDACTED]
15 [REDACTED]
16 [REDACTED] TMC is ultimately responsible for
17 all such testing.

18 12. Software testing [REDACTED] at the ETCS component
19 level is the responsibility of TMC's Electronics Engineering Division 2. Hardware
20 testing [REDACTED] at the ETCS component level is the responsibility
21 of TMC's Electronics Laboratory Division with indirect involvement from Electronics
22 Engineering Division 2. EMC testing [REDACTED] at the ETCS
23 component level is also the responsibility of TMC's Electronics Laboratory Division
24 with indirect involvement from Electronics Engineering Division 2. All of the above-
25 named departments are located in Japan.

26 13. Toyota's suppliers also conduct certain component-level testing of the
27 ETCS. In my position I have responsibility for, and therefore knowledge of, the
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1 collaboration between TMC and its suppliers involved with ETCS. For example, the
2 testing for the ETCS' electronic control module ("ECM"), which houses the software
3 for the ETCS, is the responsibility of TMC's Electronic Engineering Division 2 or
4 Electronics Laboratory Division. As noted above, when suppliers conduct
5 component-level testing, all such testing are done under the oversight, review and
6 approval of TMC, so for component-level testing of the ECM, the suppliers
7 collaborate with TMC's Electronic Engineering Division 2 or Electronics Laboratory
8 Division.

9 14. Employees at TMC's Japanese headquarters are also responsible for all
10 of the vehicle level testing of the ETCS. In my position I have responsibility for, and
11 therefore knowledge of, the collaboration among the Groups within TMC who have
12 responsibility for testing regarding ETCS. [REDACTED] tests and [REDACTED]
13 [REDACTED] tests are the responsibility of TMC's Vehicle Evaluation & Engineering
14 Management Division. The [REDACTED] test is the responsibility of
15 TMC's Shibetsu Vehicle Evaluation & Engineering Division. [REDACTED]
16 [REDACTED] at the vehicle level are the responsibility
17 of TMC's Electronic Laboratory Division. [REDACTED] are the responsibility of TMC's
18 Electronics Development Division 2. All such [REDACTED] testing, [REDACTED]
19 testing and [REDACTED] testing at the vehicle level are done by TMC or by a TMC subsidiary
20 in Japan under TMC's oversight, review and approval. Some of the [REDACTED]
21 [REDACTED] testing is done in Japan, and some of it was outsourced to
22 TEMA. [REDACTED] occurs in Japan, the United States
23 and Canada, and is prescribed by TMC and conducted by, or under the oversight,
24 review and approval of, TMC. TMC is ultimately responsible for all such testing.

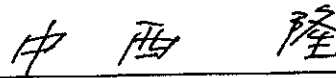
25 15. Attached hereto as Exhibit 5 is a document that describes the
26 comprehensive [REDACTED] testing conducted by TMC on the ETCS
27 and its components, with which I have been personally involved. All of these tests are
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1 conducted by TMC, by a subsidiary of TMC or by suppliers under the oversight,
2 review and approval of TMC.

3 16. I understand that, in briefing filed in the MDL, Plaintiffs have stated that
4 Toyota evaluates the ETCS for the "American market" in California. As described
5 above, TMC is responsible for the testing and evaluation of the ETCS, and TMC,
6 subsidiaries of TMC and TMC's suppliers conduct the testing and evaluation of the
7 ETCS for all markets in which Toyota, Lexus and Scion vehicles are sold, including
8 the "American market." The Los Angeles office of Toyota Technical Center, which is
9 a division of Toyota Motor Engineering & Manufacturing North America, Inc.,
10 ("TTC-LA") may support TMC personnel conducting testing of Toyota, Lexus and
11 Scion vehicles in the U.S.. However, as far as I know in my job history, TTC-LA has
12 never conducted hardware tests and EMC tests of ETCS at the component level, nor
13 abnormal operation tests and EMC tests of ETCS at the vehicle level.

14 I declare under penalty of perjury under the laws of the United States of
15 America that the foregoing is true and correct.

16 Executed this 31st day of March, 2011, at Toyota City.

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18 

19 Takashi Nakanishi
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EXHIBIT 1

Background of Mr. Takashi Nakanishi

March,	1985	Received Bachelor of Engineering after completing the Electronic Engineering in Faculty of Engineering, Kyoto University
April,	1985	Joined Toyota Motor Corporation
November,	1985	Electrical & Electronics Design Staff No.2, Electrical & Electronics Engineering Dept.
February,	1989	Electrical & Electronics Design Staff No.7, Electrical & Electronics Engineering Dept.
August,	1989	Dept. No.2, Electrical & Electronics Engineering Div.
February,	1990	Dept. No.6, Electrical & Electronics Engineering Div.
February,	1991	Design Dept. No.12, Electronics Engineering Div. I
September,	1992	Design Dept. No.2, Electronics Engineering Div. I
January,	1993	Electronics Laboratory, Electronics Engineering Div. I
January,	1994	Assistant Manager, Electronics Laboratory, Electronics Engineering Div. I
January,	2003	Group Manager, Electronics Laboratory, Electronics Engineering Div.1
June,	2008	Group Manager, Electronics Laboratory Dept. No.2, Electronics Laboratory Div., Electronics Engineering Field
June,	2009	Project Manager, Electronics Laboratory Dept. No.1, Electronics Laboratory Div., Electronics Engineering Field
January,	2010	Group Manager, Electronics Laboratory Planning Dept., Electronics Laboratory Div.

HIGHLY CONFIDENTIAL PURSUANT TO COURT ORDER

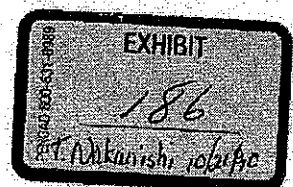


EXHIBIT 2

Declaration of Satoe Ohari

I, Satoe Ohari, declare as follows:

I am fluent in Japanese and English. I accurately translated the attached Declaration of Takashi Nakanishi and read it to the declarant on March 30, 2011 in the United States, which was March 31 in Japan, adding nothing and omitting nothing thereto. The declarant indicated that he understood it and agreed with its contents before signing it.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed this 30th day of March, 2011, in Torrance, California.



Satoe Ohari

EXHIBIT 3

**CONFIDENTIAL FILED
UNDER SEAL**

EXHIBIT 4

**CONFIDENTIAL FILED
UNDER SEAL**

EXHIBIT 5

**CONFIDENTIAL FILED
UNDER SEAL**

PROOF OF SERVICE

I, Laura Olagues, declare:

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is c/o Alston & Bird LLP, 333 South Hope Street, Sixteenth Floor, Los Angeles, California 90071. I am over the age of eighteen years and not a party to the action in which this service is made.

On April 1, 2011, I served the document(s) described as **DECLARATION OF TAKASHI NAKANISHI IN SUPPORT OF (1) TOYOTA'S RESPONSE TO CERTAIN ECONOMIC LOSS PLAINTIFFS' MOTION FOR THE APPLICATION OF CALIFORNIA LAW AND (2) TOYOTA'S CROSS-MOTION FOR CHOICE-OF-LAW DETERMINATION AS TO ALL ECONOMIC LOSS CASES AND PLAINTIFFS BEFORE THIS COURT** on the interested parties in this action by enclosing the document(s) in a sealed envelope addressed as follows:


SEE ATTACHED SERVICE LIST

X UPS NEXT DAY AIR I deposited such envelope in a facility regularly maintained by UPS with delivery fees fully provided for or delivered the envelope to a courier or driver of UPS authorized to receive documents at ALSTON + BIRD LLP, 333 South Hope Street, Los Angeles, California 90071 with delivery fees fully provided for.

BY E-MAIL: I caused such documents to be delivered via electronic transmission to the offices of the addressee(s) at the e-mail listed in the court's electronic filing system.

X [Federal] I declare under penalty of perjury that the foregoing is true and correct.

Executed on April 1, 2011, at Los Angeles, California.


Laura Olagues

United States District Court
Central District of California
In Re: Toyota Motor Corp. Unintended Acceleration
Marketing, Sales Practices, And Products Liability Litigation
Case No.: 8:10ML2151 JVS (FMOx)

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